

Building the
Broadband Atmosphere

TROPOS
networks

**Statement of Work
Milpitas Wi-Fi Pilot Project
(802.11) Network**

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Section 1 – Acceptance Form

Mr. Bill Marion
Information Services Director
City of Milpitas
1265 N Milpitas Blvd
Milpitas, CA 95035-5705

Tropos Networks is pleased to present this scope of work to the City of Milpitas for a Tropos Networks 802.11 Pilot project. The intent of this scope of work is to define the deliverables for the Pilot Wi-Fi project and the responsibilities of parties.

The Tropos 5110 Wi-Fi cells are being provided to the City at a discounted fee including installation and network configuration professional services at no cost to the City. The pricing section of this proposal reflects maintenance pricing after the 1 year warranty expires. The maintenance agreement is optional after the warranty period expires.

City responsibilities, defined herein, are not a Tropos Networks financial obligation.

Upon execution of this agreement, Tropos will work with City personnel to determine project implementation timelines per the Scope of Work provided. If there are any questions concerning our proposal submittal, Please contact Ron Pequette for clarification.

Ron Pequette - Western Region Sales Director
Phone - (303) 909-5655
Email - ron.pequette@troposnetworks.com

Sincerely,

Steve Lowe,
Vice President of Sales, Tropos Networks Inc.

Tropos :
Signature : _____ Date: __/__/__

City of Milpitas :
Signature : _____ Date: __/__/__

2. Statement of Work

Included in this section;

- Project Overview
- Responsibilities of Parties

Project Overview

The City of Milpitas Wi-Fi pilot project is a joint project between Tropos Networks and the City of Milpitas Police Department. Tropos networks is providing the network design, Tropos 5110 Wi-Fi cells, and implementation. The City is responsible for the Police IT Network connectivity, in-car Wi-Fi cards, recommended external antennas, and roaming software if needed.

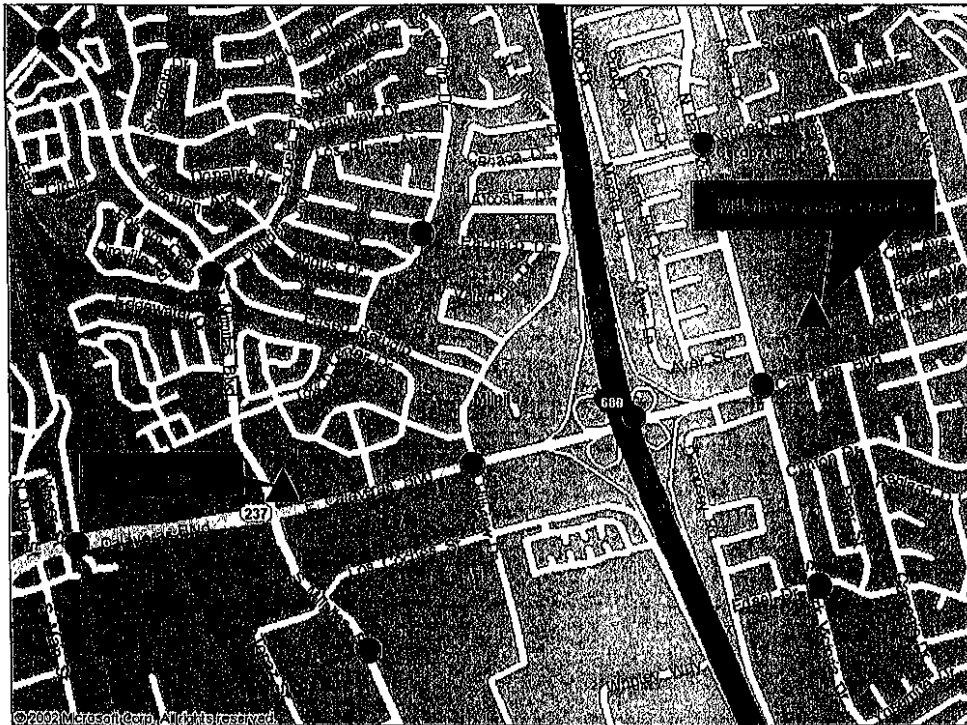


Figure 1 - City of Milpitas Pilot Area Example

The network diagram above represents an example of a possible pilot area implementation. The exact location and installation plan would be determined after site surveys and customer meetings. The Tropos 5110 units will provide the Wi-Fi hot-zone coverage in a to-be-determined City of Milpitas area.

The network will provide;

- Access to the City Police Department network via the 802.11b wireless network. Security provided by the Tropos Network operating system includes ESSID suppression, WEP, and MAC address filtering. Tropos data-packets between the 5110 Wi-Fi cells are AES encrypted. If the City has a VPN, Tropos recommends a VPN dialer be installed on the laptops to increase security.
- Once the user connects to the Wi-Fi Network they will be able to execute any Police Department application as if they were on your wire line network in the Wi-Fi coverage area.

Responsibilities of Parties

The following responsibilities of parties are defined;

1. Tropos will supply (11) Tropos 5110 Wi-Fi Cells with the required power connection options.
2. Tropos will install, with City assistance per the scope of work definition, the Tropos 5110s at the locations to be defined during the design phase of the project.
3. Tropos will assist the City with configuration of the Tropos 5110 Wi-Fi Cells per the agreed to project implementation schedule.
4. Tropos will warranty the Tropos Networks 5110 units for a period of one year from installation after which the City will have the option to execute a maintenance program defined in Section 3 Maintenance Pricing.
5. The City will provide mounting rights and power at the to be determined mounting locations.
6. The City will provide the in-car Wi-Fi cards and recommended antennas. Tropos is willing to recommend cards and antennas, or provide them for an additional charge. The City will be responsible for the in-vehicle installation.
7. The City will provide the bucket trucks and installation personnel to hang and install power to the Tropos 5110 units per Tropos specification and direction.
8. Tropos will provide installation personnel to assist in the installation of the 5110 units.
9. Tropos will provide the initial configuration of the units and any trouble shooting required. The City will assign personnel to learn and become the long term system managers. Ongoing management should be very limited once the system is operational.
10. Tropos and the City will work to develop an appropriate marketing “Press” release program to be determined.

3. Pricing

Item Description	Unit Price	Quantity	Extended Price
Tropos 5110 Wi-Fi Cells w/Power	\$ 3,195	11	\$ 35,145
Tropos Professional Services	\$ 2,960		\$ 5,920
Total Price to Customer			\$ 41,065
Marque Discount			\$ 19,065
Discounted Customer Price			\$ 22,000
Tax 8.25%			\$ 1,815
Total Price with Tax			\$ 23,815

A maintenance contract will be delivered to the City for optional execution prior to the expiration of the Warranty period (one year from date of install). If the maintenance contract is not executed, the Tropos hardware maintenance is the responsibility of the City.

Maintenance costs are \$3,515 per year with a yearly escalation fee not to exceed 5%. The Maintenance program includes hardware replacement and software upgrades. Alternative maintenance programs are also available.